

# PERMANENT RECORD

RESOLUTION C-2015-19

INTRODUCING: O'Daniel  
COMMITTEE: Finance

**A Resolution of the Common Council of the City of Evansville Confirming  
the Declaration of an Economic Revitalization Area for Property Tax Phase-In  
for The Rehabilitation of Real Property and installation of new equipment 2138 N. Sixth  
Ave., Evansville, IN 47710**

**(IRD Group, Inc.)**

**WHEREAS**, IRD Group, Inc.(the "Applicant") has made application for Economic Revitalization Area designation, pursuant to IC 6-1.1-12.1 et seq and Evansville Common Council Resolution C-2002-3 As Amended (the "Tax Phase-In Resolution"), for the property located at: See Section 1; and

**WHEREAS**, heretofore under provisions of Resolution C-2002-3 As Amended, the Common Council of the City of Evansville found the above-described property to meet the requirements of an Economic Revitalization Area pursuant to IC 6-1.1-12.1 et seq and declared said property to be an Economic Revitalization Area; and

**WHEREAS**, notice of the adoption and substance of the above mentioned resolution has been published in accordance with IC 5-3-1 and the Common Council of the City of Evansville has conducted a public hearing as of the date hereof to determine whether the qualifications for an economic revitalization area have been met; and

**NOW, THEREFORE, BE IT RESOLVED** by the Common Council of the City of Evansville as follows:

**Section 1.** The property known as 2138 N. Sixth Ave., Evansville, IN and more particularly described as follows:

2138 N. Sixth Ave., Evansville, IN 47710

Parcel ID: 82-05-13-028-090.001-029

HYDE PK 50-62 LTS 74-86 LTS 98-110 LTS 122-134  
ALSO VAC ALLEYS & STS, Pigeon-City Township

has been found to meet the qualifications for an economic revitalization area as outlined in IC 6-1.1-12.1.

**Section 2.** Resolution **C-2015-14** adopted by the Common Council on October 12, 2015, is hereby confirmed.

**Section 3.** The Statement of Benefits submitted by the Applicant and dated August 29, 2015, are hereby approved.

**Section 4.** This Resolution shall be in full force and effect from and after its passage by the Common Council, signing by the Mayor, and advertisement, if any, as required by law.

**FILED**

**OCT 20 2015**

*Paula Windner*  
CITY CLERK

**PASSED BY** the Common Council of the City of Evansville, Indiana, on the 9  
day of November, 2015 on said day signed by the President  
of the Common Council and attested by the City Clerk.



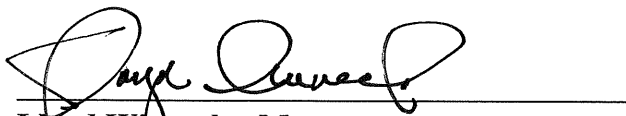
**President of the Common Council, Dr. H. Dan Adams**

ATTEST: Laura Windhorst  
**Laura Windhorst, City Clerk**

Presented by me, the undersigned City Clerk of the City of Evansville, Indiana, to  
the Mayor of said city, this 13 day of November, 2015, for  
his consideration and action thereon.

Laura Windhorst  
**Laura Windhorst, City Clerk**  
**City of Evansville, Indiana**

Having examined the foregoing resolution, I do now, as Mayor of the City of  
Evansville, Indiana, approve said resolution and return the same to the City Clerk  
this 20th day of November, 2015.

  
**Lloyd W. Wenecke, Mayor**  
**City of Evansville, Indiana**

TED NEMER  
**APPROVED AS TO FORM**

BY Ted C. Zesta, COUNSEL

**Attachment 1**

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**Real and Personal Property Schedule**

**Parcel ID: 82-05-13-028-090.001-029**

**Resolution C-2015-19**

**IRD Group, Inc.**

**Tax Phase-In Schedule – Real Property**

| <b>Real Property</b> |                  |
|----------------------|------------------|
| <b>Year</b>          | <b>Abatement</b> |
| 1                    | 100%             |
| 2                    | 95%              |
| 3                    | 80%              |
| 4                    | 65%              |
| 5                    | 50%              |
| 6                    | 40%              |
| 7                    | 30%              |
| 8                    | 20%              |
| 9                    | 10%              |
| 10                   | 5%               |
| 11                   | 0%               |

**Tax Phase-In Schedule – Personal Property**

| <b>Personal Property</b> |                  |
|--------------------------|------------------|
| <b>Year</b>              | <b>Abatement</b> |
| 1                        | 100%             |
| 2                        | 90%              |
| 3                        | 80%              |
| 4                        | 70%              |
| 5                        | 60%              |
| 6                        | 50%              |
| 7                        | 40%              |
| 8                        | 30%              |
| 9                        | 20%              |
| 10                       | 10%              |
| 11                       | 0%               |



## Application for Economic Revitalization Area Designation

| General Information  |  |  |  |
|--|--|--|--|
| Name of Taxpayer Seeking Phase-In  | IRD Group, Inc.  |  |  |
| Street Address of Taxpayer   | 2138 N. Sixth Ave  |  |  |
| City, State, Zip   | Evansville, IN, 47720  |  |  |
| Name of Authorized Representative  | Jim Kratochvil   |  |  |
| Street Address of Authorized Representative  | 2138 N. Sixth Ave  |  |  |
| City, State, Zip   | Evansville, IN 47710   |  |  |
| Phone and Fax  | (812) 425 3311 Office  |  |  |
| Proposed Project Information   |  |  |  |
| Address of Property  | 2138 N. Sixth Ave  | Tax Code(s) for Property               |  |
| Size of Property (sf)  | Approx 129,000 sq ft   | NAICS Code                             |  |
| City, State, Zip   | 47710  | Current Zoning                         |  |
| Township   | Pigeon   | TIF District                           | Yes <input type="checkbox"/> No <input type="checkbox"/> |
| Legal Description of Property  | Hyde PK 50-62 LTS 98-100 LTS 122-134 ALSO VAC Alleys & Sts<br><br>Also known as 2100 N. Sixth Ave and 2138 N. Sixth Ave  |  |  |
| Provide a brief description of the applicant's business, including company history, products(s), facilities, sales and corporate growth, and corporate employment. Also discuss any applicable future growth, planned expansions, and/or corporate diversification, where applicable. (You may attach it as "Company Profile") |  |  |  |
| The business was historically know as International Revolving Door, a division of Evansville Metal Products. The business was sold through auction to IRD Group, Inc. in July of 2015. The business is being restarted with the intention of selling both revolving doors and parts  |  |  |  |
| Project Overview   |  |  |  |
| Provide a Detailed Description of the Proposed Project (including how the Subject Property will be used, physical changes made to the property)  | The project includes re-opening the revolving door factory, with excess space used in the building used for re-locating JPM Resources and the remaining excess for warehousing |  |  |
| *Will the Project Require Additional Municipal Services or Facilities?   | Yes <input type="checkbox"/>   | No <input checked="" type="checkbox"/> |  |
| *If yes please state need  |  |  |  |

## Employment/Benefit Information

### Project Cost Estimate

|  | Current Year  | Year 1 | Year 2  | Year 3 | Year 4 | Year 5 |
|--|---|--------|---|--------|--------|--------|
| Purchase of real estate and improvements   | \$120,000   |        |   |        |        |        |
| Site preparation   |   |        |   |        |        |        |
| Demolition   |   |        |   |        |        |        |
| Construction of new structures   |   |        |   |        |        |        |
| Rehabilitation of existing structures  | \$470,000   |        |   |        |        |        |
| Infrastructure improvements  |   |        |   |        |        |        |
| Architecture & engineering fees  |   |        |   |        |        |        |
| Development fees   |   |        |   |        |        |        |
| Total cost of manufacturing and research & development equipment – new to Indiana        |   |        |   |        |        |        |
| Total project cost for real estate component of project                                  | \$590,000   |        |   |        |        |        |
| Has this new equipment ever been installed and in use elsewhere in the state of Indiana? | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |        | Date new manufacturing/research & development equipment is to be installed? |        |        |        |

| Calendar Year   | Number of Current Full-Time Permanent Employees at Project                                | Hourly/Average Wage W/O Fringe Benefits/Bonuses  | New Full-Time Permanent Employees at Project | Number of Part-Time Employees                                       |              |
|---|---|--|--|---|--------------|
| 3 Years Ago   |   |  |  |   |              |
| 2 Years Ago   |   |  |  |   |              |
| 1 Year Ago  |   |  |  |   |              |
| Current Year  |   | 17.95  | 9  |   |              |
| Year 1  | 18  | 16.50  | 9  |   |              |
| Year 2  | 23  | 16.50  | 5  |   |              |
| Year 3  | 25  | 16.50  | 2  |   |              |
| Year 4  |   |  |  |   |              |
| If Tax Phase-In were not granted, how many current jobs would be lost or jeopardized? If any, please attach a supporting explanation (attach as "Potential Job Loss") |   | Potentially all. If costs are not minimized during the restart of operations, the company will not succeed |  |   |              |
| Identify the type(s) of work or position(s) of the new employees.   | Management, steel workers, parts management   | Employees' Educational Requirements (Percentage of new hires)  |  |   |              |
|   |   | High School Diploma  | 2 yr Degree/Certificate                      | 4 yr Degree   | >4 yr Degree |
|   |   | 78%  | 11%  | 11%   |              |
| Identify the company benefits offered to employees.   | Vacation and Holiday pay at the moment. Hope to add medical and 401(K) in the near future |  |  |   |              |
| What is the value of these benefits (as a percentage of base pay)?  | Approx 8%   | Does the taxpayer have an affirmative action plan?   |  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> |              |



### Contribution of Company

|   |   |
|---|---|
| In what ways has the company contributed to the improvement of the neighborhood or surrounding area, or participated in community activities or programs? | The former company kept the building from slipping into complete decay but did not do much more than this. It is the new companies intention to give the building a significant face lift, improving the appearance both outside and inside, as well as improving significant deficiencies with the integrity of the building |
| Is it your intent to use your best efforts to hire local contractors for the building and/or installation of equipment?                                   | Yes   |

\*Please attach any additional information that you feel will assist in evaluated this request for property tax phase-in.




Click "Sign" to fill out and sign this form. When you are done, you can save a copy by clicking "Done Signing".

I understand that if tax phase-in is granted for this project, that the Applicant will be required to submit a "Compliance with Statement of Benefits" form annually; and

It is my further understanding that if the Applicant should fail to comply with its commitments in job creation, job retention, project investment and/or any other commitments associated with its tax phase-in application, that the designating body has the right, after conducting a public hearing, to terminate said tax phase-in deductions.

I hereby affirm and certify that the information and representations of fact made in this application are true and complete.

Signature: 

Title: President

Date: 8/24/15

For this application to be complete, it must be accompanied by a signed "Statement of Benefits" (State Form 27167) and a check for the appropriate application fee. The check should be made payable to the Growth Alliance for Greater Evansville (GAGE).

#### Application Fees:

|   |          |
|---|----------|
| Real Estate Improvements                              | \$500.00 |
| New Manufacturing or Research & Development Equipment | \$250.00 |

Application Fee Submitted: \_\_\_\_\_

Growth Alliance for Greater Evansville  
Phone: (812) 401.4243  
Email: info@GrowthAllianceEvv.com  
www.GrowthAllianceEvv.com

Update: Tuesday, August 13, 2013





# STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R5 / 12-13)

Prescribed by the Department of Local Government Finance

20\_\_ PAY 20\_\_

FORM SB-1 / Real Property

## PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

This statement is being completed for real property that qualifies under the following Indiana Code (*check one box*):

- ☒ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)  
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

### INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
4. A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable. IC 6-1.1-12.1-5.1(b)
5. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

| SECTION 1 TAXPAYER INFORMATION  |                          |                                      |   |   |                     |
|---|--------------------------|--------------------------------------|---|---|---------------------|
| Name of taxpayer<br>IRD Group, Inc  |                          |                                      |   |   |                     |
| Address of taxpayer (number and street, city, state, and ZIP code)<br>2138 N. Sixth Street, Evansville, IN 47710  |                          |                                      |   |   |                     |
| Name of contact person<br>Jim Kratochvil  |                          | Telephone number<br>( 812 ) 459-7236 |   | E-mail address<br>jim.kratochvil@jpmresources         |                     |
| SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT  |                          |                                      |   |   |                     |
| Name of designating body<br>City of Evansville City Common Council  |                          |                                      |   | Resolution number                                     |                     |
| Location of property<br>2138 N. Sixth Street, Evansville, IN 47710  |                          | County<br>Vanderburgh                |   | DLGF taxing district number<br>82-029                 |                     |
| Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary)<br>Rehabilitation of inside of building including fire suppression systems, offices, space utilization, mechanical systems, outside appearance |                          |                                      |   | Estimated start date (month, day, year)<br>10/01/2015 |                     |
|   |                          |                                      |   | Estimated completion date (month, day, year)          |                     |
| SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT  |                          |                                      |   |   |                     |
| Current number<br>0.00  | Salaries<br>\$0.00       | Number retained<br>0.00              | Salaries<br>\$0.00                                | Number additional<br>23.00                            | Salaries<br>\$20.00 |
| SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT  |                          |                                      |   |   |                     |
|   | REAL ESTATE IMPROVEMENTS |                                      |   |   |                     |
|   | COST                     |                                      | ASSESSED VALUE                                    |   |                     |
| Current values  | 120,000.00               |                                      |   |   |                     |
| Plus estimated values of proposed project   | 470,000.00               |                                      |   |   |                     |
| Less values of any property being replaced  |                          |                                      |   |   |                     |
| Net estimated values upon completion of project   |                          |                                      |   |   |                     |
| SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER   |                          |                                      |   |   |                     |
| Estimated solid waste converted (pounds) 0.00   |                          |                                      | Estimated hazardous waste converted (pounds) 0.00 |   |                     |
| Other benefits<br>Rehabilitating a building that would otherwise be an eyesore to the community and provided needed jobs in a distressed area of Evansville.  |                          |                                      |   |   |                     |
| SECTION 6 TAXPAYER CERTIFICATION  |                          |                                      |   |   |                     |
| I hereby certify that the representations in this statement are true.   |                          |                                      |   |   |                     |
| Signature of authorized representative  |                          |                                      |   | Date signed (month, day, year)                        |                     |
| Printed name of authorized representative   |                          |                                      | Title   |   |                     |

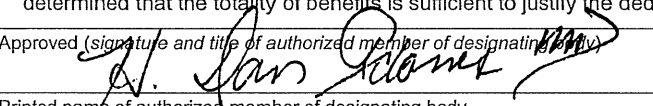
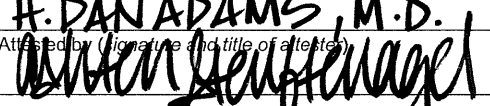


**FOR USE OF THE DESIGNATING BODY**

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed 3 calendar years\* (see below). The date this designation expires is 12/31/2018.
- B. The type of deduction that is allowed in the designated area is limited to:  
 1. Redevelopment or rehabilitation of real estate improvements ☒ Yes ☐ No  
 2. Residentially distressed areas ☐ Yes ☐ No
- C. The amount of the deduction applicable is limited to \$ \_\_\_\_\_.
- D. Other limitations or conditions (specify) \_\_\_\_\_
- E. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 (\* see below)  
☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☒ Year 10
- F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?  
☒ Yes ☐ No  
 If yes, attach a copy of the abatement schedule to this form.  
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

|   |  |   |
|---|--|---|
| Approved (signature and title of authorized member of designating body)<br> | Telephone number<br><u>812-436-4992</u>                              | Date signed (month, day, year)<br><u>11/09/15</u> |
| Printed name of authorized member of designating body<br><u>H. DAN ADAMS M.D.</u>   | Name of designating body<br><u>EVANSVILLE CITY COUNCIL</u>           |   |
| Attested by (signature and title of attester)<br>                           | Printed name of attester<br><u>ASHTEN STENFTENAGEL, DEPUTY CLERK</u> |   |

\* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4-1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

**IC 6-1.1-12.1-17**

**Abatement schedules**

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
  - (2) The number of new full-time equivalent jobs created.
  - (3) The average wage of the new employees compared to the state minimum wage.
  - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.



# STATEMENT OF BENEFITS PERSONAL PROPERTY

State Form 51764 (R3 / 12-13)

Prescribed by the Department of Local Government Finance

FORM SB-1 / PP

## PRIVACY NOTICE

Any information concerning the cost of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

## INSTRUCTIONS

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** a person installs the new manufacturing equipment and/or research and development equipment, and/or logistical distribution equipment and/or information technology equipment for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated an economic revitalization area before the installation of qualifying abatable equipment for which the person desires to claim a deduction.
3. To obtain a deduction, a person must file a certified deduction schedule with the person's personal property return on a certified deduction schedule (Form 103-ERA) with the township assessor of the township where the property is situated or with the county assessor if there is no township assessor for the township. The 103-ERA must be filed between March 1 and May 15 of the assessment year in which new manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment is installed and fully functional, unless a filing extension has been obtained. A person who obtains a filing extension must file the form between March 1 and the extended due date of that year.
4. Property owners whose Statement of Benefits was approved, must submit Form CF-1/PP annually to show compliance with the Statement of Benefits. (IC 6-1.1-12.1-5.6)
5. For a Form SB-1/PP that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/PP that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. (IC 6-1.1-12.1-17)

| SECTION 1   |                         | TAXPAYER INFORMATION                         |                             |  |                       |                |              |                |
|---|-------------------------|--|-----------------------------|--|-----------------------|----------------|--------------|----------------|
| Name of taxpayer  | Name of contact person  |  |                             |  |                       |                |              |                |
| IRD Group, Inc  | Jim Kratochvil          |  |                             |  |                       |                |              |                |
| Address of taxpayer (number and street, city, state, and ZIP code)  |                         | Telephone number                             |                             |  |                       |                |              |                |
| 2138 N. Sixth Street, Evansville, IN 47710  |                         | ( 812 ) 459-7236                             |                             |  |                       |                |              |                |
| SECTION 2   |                         | LOCATION AND DESCRIPTION OF PROPOSED PROJECT |                             |  |                       |                |              |                |
| Name of designating body  |                         | Resolution number (s)                        |                             |  |                       |                |              |                |
| City of Evansville Common Council   |                         |  |                             |  |                       |                |              |                |
| Location of property  |                         | County                                       | DLGF taxing district number |  |                       |                |              |                |
| 2138 N. Sixth Street, Evansville, IN 47710  |                         | Vanderburgh                                  | 82-029                      |  |                       |                |              |                |
| Description of manufacturing equipment and/or research and development equipment and/or logistical distribution equipment and/or information technology equipment.<br>(Use additional sheets if necessary.) |                         | ESTIMATED                                    |                             |  |                       |                |              |                |
|   |                         | START DATE                                   | COMPLETION DATE             |  |                       |                |              |                |
|   |                         | Manufacturing Equipment                      | 10/01/2015 12/31/2015       |  |                       |                |              |                |
|   |                         | R & D Equipment                              |                             |  |                       |                |              |                |
|   |                         | Logist Dist Equipment                        |                             |  |                       |                |              |                |
| IT Equipment  |                         | 10/01/2015                                   | 12/31/2015                  |  |                       |                |              |                |
| SECTION 3   |                         |  |                             |  |                       |                |              |                |
| ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT  |                         |  |                             |  |                       |                |              |                |
| Current number  | Salaries                | Number retained                              | Salaries                    | Number additional                            | Salaries              |                |              |                |
| 0   | 0                       | 0  | 0                           | 23   | 20.00                 |                |              |                |
| SECTION 4   |                         |  |                             |  |                       |                |              |                |
| ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT  |                         |  |                             |  |                       |                |              |                |
| NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.   | MANUFACTURING EQUIPMENT |  | R & D EQUIPMENT             |  | LOGIST DIST EQUIPMENT |                | IT EQUIPMENT |                |
|   | COST                    | ASSESSED VALUE                               | COST                        | ASSESSED VALUE                               | COST                  | ASSESSED VALUE | COST         | ASSESSED VALUE |
| Current values  |                         |  |                             |  |                       |                |              |                |
| Plus estimated values of proposed project   |                         |  |                             |  |                       |                |              |                |
| Less values of any property being replaced  |                         |  |                             |  |                       |                |              |                |
| Net estimated values upon completion of project   |                         |  |                             |  |                       |                |              |                |
| SECTION 5   |                         |  |                             |  |                       |                |              |                |
| WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER   |                         |  |                             |  |                       |                |              |                |
| Estimated solid waste converted (pounds)  |                         | 0  |                             | Estimated hazardous waste converted (pounds) |                       | 0              |              |                |
| Other benefits:   |                         |  |                             |  |                       |                |              |                |
| SECTION 6   |                         |  |                             |  |                       |                |              |                |
| TAXPAYER CERTIFICATION  |                         |  |                             |  |                       |                |              |                |
| I hereby certify that the representations in this statement are true.   |                         |  |                             |  |                       |                |              |                |
| Signature of authorized representative  |                         | Date signed (month, day, year)               |                             |  |                       |                |              |                |
| Printed name of authorized representative   |                         | Title  |                             |  |                       |                |              |                |

**FOR USE OF THE DESIGNATING BODY**

We have reviewed our prior actions relating to the designation of this economic revitalization area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1-2.5, provides for the following limitations as authorized under IC 6-1.1-12.1-2.

A. The designated area has been limited to a period of time not to exceed 3 calendar years \* (see below). The date this designation expires is 12/31/2018.

B. The type of deduction that is allowed in the designated area is limited to:

- |  |   |  |
|--|---|--|
| 1. Installation of new manufacturing equipment;            | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| 2. Installation of new research and development equipment; | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| 3. Installation of new logistical distribution equipment.  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| 4. Installation of new information technology equipment;   | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |

C. The amount of deduction applicable to new manufacturing equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.

D. The amount of deduction applicable to new research and development equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.

E. The amount of deduction applicable to new logistical distribution equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.

F. The amount of deduction applicable to new information technology equipment is limited to \$ \_\_\_\_\_ cost with an assessed value of \$ \_\_\_\_\_.

G. Other limitations or conditions (specify) \_\_\_\_\_

H. The deduction for new manufacturing equipment and/or new research and development equipment and/or new logistical distribution equipment and/or new information technology equipment installed and first claimed eligible for deduction is allowed for:

- |                                 |                                 |                                 |                                 |   |               |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---|---------------|
| <input type="checkbox"/> Year 1 | <input type="checkbox"/> Year 2 | <input type="checkbox"/> Year 3 | <input type="checkbox"/> Year 4 | <input type="checkbox"/> Year 5             | (see below *) |
| <input type="checkbox"/> Year 6 | <input type="checkbox"/> Year 7 | <input type="checkbox"/> Year 8 | <input type="checkbox"/> Year 9 | <input checked="" type="checkbox"/> Year 10 |               |

I. For a Statement of Benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17? ☒ Yes ☐ No  
If yes, attach a copy of the abatement schedule to this form.  
If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

Also we have reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

|  |  |   |
|--|--|---|
| Approved by: (signature and title of authorized member of designating body)<br><i>H. Dan Adams, M.D.</i> | Telephone number<br>(317) 436-4992                                 | Date signed (month, day, year)<br>11/9/15 |
| Printed name of authorized member of designating body<br>H. DAN ADAMS, M.D.                              | Name of designating body<br>EVANSVILLE CITY COUNCIL                |   |
| Attested by: (signature and title of attester)<br><i>Ashten Stenftengel</i>                              | Printed name of attester<br>ASHTEN STENFTENAGEL, DEPUTY CITY CLERK |   |

\* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

**IC 6-1.1-12.1-17**

**Abatement schedules**

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
- (2) The number of new full-time equivalent jobs created.
- (3) The average wage of the new employees compared to the state minimum wage.
- (4) The infrastructure requirements for the taxpayer's investment.

(b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.

(c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.

# City of Evansville / Vanderburgh County Tax Phase-In Application Scoring

-Real Property-

Company Name: IRD Group, Inc.

Application Date: 8/29/2015

|  |          | Points Granted |
|--|----------|----------------|
| <b>Investment– (5 points maximum)</b>  |          |                |
| Less than \$1 Million  | 1 point  |                |
| \$1 Million to \$5 Million   | 2 points |                |
| \$5,000,001 to \$10 Million  | 3 points | 1              |
| \$10,000,001 to \$15 Million   | 4 points |                |
| \$15 Million +   | 5 points |                |
| <b>Full-Time employment added or retained (based on project) in 5 years (5 points maximum)</b>   |          |                |
| 5 to 20 employees  | 1 point  |                |
| 21 to 40 employees   | 2 points |                |
| 41 to 60 employees   | 3 points | 2              |
| 61 to 80 employees   | 4 points |                |
| 81 employees +   | 5 points |                |
| <b>Wage level (5 points maximum)</b>   |          |                |
| Less Than Vanderburgh Co. average wage   | 1 point  |                |
| ≤ 5% Vanderburgh Co. average wage  | 2 points |                |
| 5%-10% Vanderburgh Co. average wage  | 3 points | 4              |
| 10% - 20% Vanderburgh Co. average wage   | 4 points |                |
| ≥ 20% Vanderburgh Co. average wage   | 5 points |                |
| <i>The average county wage for 2012 is \$18.08/hr (\$36,606/year) for Vanderburgh County, as determined by the Indiana Department Workforce Development.</i> |          |                |
| <b>Benefits Package (Ins./Retirement/paid time off/tuition reimbursement) (5 points maximum)</b>   |          |                |
| 0% - 3%  | 1 point  |                |
| 4% - 7%  | 2 points |                |
| 8% - 11%   | 3 points | 3              |
| 12% - 14%  | 4 points |                |
| 15% +  | 5 points |                |
| Value of benefits is equal to or greater than base pay.  |          |                |
| <b>Use reuse, rehabilitation and/or expansion of an existing facility. (2 points maximum)</b>  |          |                |
|  | 2        |                |
| <b>Targeted Business (1 point maximum)</b>   |          |                |
|  | 1        |                |
| <b>Percent of employment that requires at least a 2 yr degree or professional certificate (2 points maximum)</b>   |          |                |
| 50%-75%  | 1 point  |                |
| 75%+   | 2 points | 1              |

Total Points: 14

## Scoring

| <u>Score</u> | <u>Max. Length of Deduction</u> |
|--------------|---------------------------------|
| N/A          | 1 year                          |
| N/A          | 2 years                         |
| 2-0          | 3 years                         |
| 3-4          | 4 years                         |
| 5-7          | 5 years                         |
| 8-10         | 6 years                         |
| 11-13        | 7 years                         |
| 14-16        | 8 years                         |
| 17-19        | 9 years                         |
| 20+          | 10 years                        |

Grand Total of Points:

Number of Years:



# City of Evansville / Vanderburgh County Tax Phase-In Application Scoring

## -Personal Property-

Company Name: IRD Group, Inc.

Application Date: 8/29/2015

|   |          | Points Granted |
|---|----------|----------------|
| <b>Investment– (5 points maximum)</b>   |          |                |
| < \$1 Million   | 1 point  |                |
| \$1 Million to \$5 Million  | 2 points |                |
| \$5,000,001 to \$10 Million   | 3 points | 1              |
| \$10,000,001 to \$20 Million  | 4 points |                |
| \$20 Million +  | 5 points |                |
| <b>Full-Time employment added or retained (based on project) in 5 years (5 points maximum)</b>  |          |                |
| 5 to 20 employees   | 1point   |                |
| 21 to 40 employees  | 2 points |                |
| 41 to 60 employees  | 3 points | 2              |
| 61 to 80 employees  | 4 points |                |
| 81 employees +  | 5 points |                |
| <b>Wage level (5 points maximum)</b>  |          |                |
| Less Than Vanderburgh Co. average wage  | 1point   |                |
| ≤ 5% Vanderburgh Co. average wage   | 2 points |                |
| 5%-10% Vanderburgh Co. average wage   | 3 points | 4              |
| 10% - 20% Vanderburgh Co. average wage  | 4 points |                |
| ≥ 20% Vanderburgh Co. average wage  | 5 points |                |
| <i>The average county wage for 2012is \$18.08/hr (\$36,606/year) for Vanderburgh County, as determined by the Indiana Department Workforce Development.</i> |          |                |
| <b>Benefits Package (Ins./Retirement/paid time off/tuition reimbursement) (5points maximum)</b>   |          |                |
| 0% - 3%   | 1 point  |                |
| 4% - 7%   | 2 points |                |
| 8% - 11%  | 3 points | 3              |
| 12% - 14%   | 4 points |                |
| 15% +   | 5 points |                |
| Value of benefits is equal to or greater than 15% of base pay.  |          |                |
| <b>Use reuse, rehabilitation and/or expansion of an existing facility. (2 points maximum)</b>   |          |                |
|   |          | 2              |
| <b>Targeted Business (1 point maximum)</b>  |          |                |
|   |          | 1              |
| <b>Percent of employment that requires at least a 2 yr degree or professional certificate (2 points maximum)</b>  |          |                |
| 50%-75%   | 1 point  |                |
| 75%+  | 2 points | 1              |

Total Points: 14

## Scoring

### Score

N/A

N/A

2-0

3-4

5-7

8-10

11-13

14-16

17-19

20+

### Max. Length of Deduction

1 year

2 years

3 years

4 years

5 years

6 years

7 years

8 years

9 years

10 years

Grand Total of Points:

Number of Years:

# Report to Mayor and City Council | 2015



Council Meeting 11/09/2015

**SUBJECT:** The Growth Alliance has worked with International Revolving Door (IRD) Group, Inc. and Jim Kratochvil (former CFO Berry Plastics, Inc. Evansville, IN) on their current development project to rehabilitate and modernize the former International Steel Building located at 2138 N. Sixth Street while maintaining the integrity of the community surrounding the facility.

Per the best information available, the original building was built circa 1910 as a technical training school. An addition was made to the original facility in or around 1950. For many years, dating back to the middle of the last century, the building was primarily used first as a technical training school, then as a lawnmower fabricating company, then as a machine and metal fabricating shop, known as Evansville Metal Products (EMP). Refrigeration products, such as chillers were added to the product offering, and finally, International Revolving Doors was purchased from International Steel and added as a division of EMP around 1991.

Machining operations began to diminish rapidly as Whirlpool ended manufacturing operations in the Evansville Area several years ago. The International Doors Division ceased manufacturing in February 2015.

Environmental remediation occurred at the site in 2005 under the supervision of the Indiana Department of Environmental Management. Recently a Phase II Environmental Assessment was completed which demonstrated no known significant environmental issues.

The building had been vacant, underutilized and not well maintained. The building requires extensive renovations including roof repair, a security/alarm system, office renovations, fire protection, exterior steel skin panels, electrical upgrade, foyer and store front build out, and remodeling the sheering machine area.

The initial intended use of the facility is to re-start the Revolving Door Factory. International Revolving Door has been referred to as the oldest continuous manufacturing business located within Evansville, and over the years has held the reputation as the premier revolving door manufacturer of the world. In conjunction with the start-up of this facility for door manufacturing, the development plan also includes:

1. Renovating approximately 3,000 sq. ft. of office space to accommodate multiple businesses.

**FILED**

**OCT 20 2015**

*Jana Windness*  
CITY CLERK

2. Relocate JPM Resources into the facility. JPM is a Commercial, Residential, and Petroleum Construction and Maintenance Business (which has been in business since 1998), currently located at 921 Keck Ave, Evansville, IN 47711.
3. Expand (within two years) with the startup of a custom automation and machining and fabricating business.
4. The remaining empty space in the building will be leased for warehousing until suitable businesses are found.
5. Employing 23 with an average wage of \$16.50/hour.

## REASONS TO PROVIDE ABATEMENT

- Strength of the Individuals involved in the restoration project and work history within the City of Evansville
- Additional jobs restored in the community
- Investment in the Community
- Promoting good corporate citizenship and culture
- Use of Local Contractors
- Utilization of vacant building and revitalization of the area

IRD Group, Inc. will make a total investment in real property of \$600,000; \$470,000 being new real property investment. IRD Group, Inc. will also invest \$150,000 in personal property over the next 5 years for total investment of \$750,000.

**FISCAL IMPACT:** The total, positive, Economic Impact generated from this project for the City of Evansville is estimated to be:

***\$ 40,144,711 over the next 10 years; or in excess of \$4 million per year***

**RECOMMENDATION:** The Growth Alliance recommends standard 10-year tax abatement for real property and standard 10-year tax abatement for personal property, providing a direct impact of **\$78,111**. Additionally, the Growth Alliance recommends a grant valued at **\$12,500 for Training Assistance**; requiring a 50/50 match. The grant is only applicable towards Evansville residents hired over the first 2 years of project implementation.

Given the growth plan, the new jobs and repurposing of a vacant building, we recommend a package that would include a 10-year tax phase-in on the real estate improvements intended to make on the property located at the location specified and 10-year tax phase-in on the new equipment new to the state of Indiana. **The total value to IRD Group, Inc. would be approximately \$90,611 with the project generating a positive, economic impact of over \$4 million per year for the City of Evansville. This project is in line with our target market and our goal to bring jobs and opportunity back to the City.**

The State of Indiana has granted – Industrial Recovery Tax Credits totaling **\$115,000** (also known as DINO state tax credits).



The Growth Alliance has requested, and the applicant has agreed to execution of an agreement with the City that would require the applicant to reimburse the City for an agreed to amount of the value of the benefits received to date in the event they would decide to relocate these new jobs to another community within the 10 year period. This type of agreement has been referred to as a "claw back agreement" on prior projects.

**Attachments:**

Confirming Resolution C-2015-19  
Application for Economic Revitalization Area Designation  
SB-1 Real Property  
Form SB-1/Personal Property  
Scoring sheet for Real Property  
Scoring sheet for Personal Property

**For additional information contact:**

Chris Kinnett, President  
Growth Alliance for Greater Evansville  
O: 812 492 4384  
[chris@growthallianceevv.com](mailto:chris@growthallianceevv.com)



COMMITTEE REPORT  
FINANCE COMMITTEE

CHAIRMAN CONOR O'DANIEL

Committee Time: 5:15

RE: CONFIRMING ERA  
TAX PHASE IN  
IRD GROUP

MISTER PRESIDENT, YOUR COMMITTEE ON FINANCE TO WHOM WAS  
REFERRED **ORDINANCE/RESOLUTION** C-2015-19 WISHES TO  
RECOMMEND THE FOLLOWING ACTION BY COUNCIL:

MOVED TO ACCEPT: LINDSEY

SECONDED BY: MCGILVER

DO PASS: ✓ DO NOT PASS:       

AMENDMENTS AS FOLLOWS:

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DATE: 11/09/2015

SIGNED: Chairman, Conor O'Daniel

Constance Robinson

Al Lindsey

Conor O'Daniel

# MEMORANDUM OF FINANCE COMMITTEE MEETING

CHAIRMAN: Conor O'Daniel

DATE: November 9, 2015

TIME: 5:15 p.m.

**RESOLUTION C-2015-19**

**FINANCE**

**O'DANIEL**

A Resolution of the Common Council of the City of Evansville Confirming the Declaration of an Economic Revitalization Area for Property Tax Phase-In for the Rehabilitation of Real Property and Installation of New Equipment 2138 N. Sixth Street, Evansville, IN 47710 (IRD Group, Inc.)

MOVED TO ACCEPT: Lindsey

SECONDED BY: McGinn

VOICE VOTE

DO PASS: ✓ DO NOT PASS:       

COMMENTS:

Chris Kinnett

Josh Kratochvil 2138 N 6<sup>th</sup> Ave

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

VOTING: YES ABSENT NO       

**O'DANIEL\***

YES        NO       

ADAMS

YES ABSENT NO       

BRINKERHOFF-RILEY

YES ABSENT NO       

FRIEND

YES        NO       

LINDSEY

YES        NO       

MCGINN

YES        NO       

MOSBY

YES        NO       

ROBINSON

YES        NO       

WEAVER